

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY, CALIFORNIA
AND RECORD OF ACTION**

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May 20, 2003

FROM: **DAVID H. SLAUGHTER**, Director
Real Estate Services Department

MARK H. UFFER, Director
Arrowhead Regional Medical Center

SUBJECT: **LEASE AMENDMENT WITH EDGAR C. KELLER AND JACK D. HOLT**

RECOMMENDATION: Approve Amendment No. 1 to Lease Agreement No. 00-953 with Edgar C. Keller and Jack D. Holt to terminate the lease as of April 30, 2003 for 4,600 square feet of office space in Yucca Valley for the Medical Indigent Adult (MIA) program administered by the Arrowhead Regional Medical Center (ARMC).

BACKGROUND INFORMATION: On September 19, 2000, the Board approved an agreement for assignment of lease, Lease Agreement No. 00-953, for office space for a contract physician to provide medical care services to MIA clients in the High Desert. At the time of the assignment, 18 months remained until the lease termination date of February 28, 2002. The agreement has been in holdover because of extended negotiations between the contract physician and ARMC. The physician and ARMC have entered into a new contract whereby the physician provides his own office space. The physician has entered into a lease agreement with the landlord at the current location. The physician will continue to serve eligible MIA clients at this location and ARMC has increased the contract fee to offset a portion of the physician's cost to lease the facility. The fee paid to the physician is based on the number of patients served, which fluctuates from month-to-month and is difficult to quantify; however, caseload history indicates the fee increase will be less than the rent that had been previously paid by the County.

REVIEW BY OTHERS: This item has been reviewed by County Counsel (Fiona Luke, Deputy County Counsel) on April 14, 2003; ARMC Administration (Meaghan Ellis, MIA Clinic Administrator) on April 23, 2003; and the County Administrative Office (Daniel R. Kopp and Beatriz Valdez, Administrative Analysts) on May 14, 2003.

FINANCIAL IMPACT: This amendment terminates the lease effective April 30, 2003 and eliminates the monthly rent payment of \$3,172.

COST REDUCTION REVIEW: The County Administrative Office has reviewed this agenda item, concurs with the department's and RESD's proposal, and recommends this action based on the need for the MIA program in Yucca Valley and the reduction in overall cost to provide this service.

SUPERVISORIAL DISTRICT: Third

PRESENTER: David H. Slaughter, Director - 387-7813

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Record of Action of the Board of Supervisors

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